

Presented to:
US Maritime Administration



Application for Designation of

The New Jersey Marine Highway Platform

As a

Marine Highway Project



Submitted by:



NJ Department of Transportation

June 11, 2010



State of New Jersey

DEPARTMENT OF TRANSPORTATION
P.O. Box 600
Trenton, New Jersey 08625-0600

CHRIS CHRISTIE
Governor

JAMES S. SIMPSON
Commissioner

KIM GUADAGNO
Lt. Governor

June 10, 2010

Mr. Michael Gordon
Office of Intermodal System Development
Marine Highways and Passenger Services
MAR-520, Suite W21-315
1200 New Jersey Avenue, SE
Washington, DC 20590

Re: New Jersey Marine Highway Platform

Dear Mr. Gordon:

Please find enclosed our application for designation as a Marine Highway Project under the American Marine Highway Program Final Rule, MARAD-2010-0035 published in the Federal Register (49 CFR 393). This application contains a vision for New Jersey as a central part of domestic freight movements along the I-95 Marine Highway Corridor.

While we understand that the project status is primarily for single projects, this application shows a number of current and potential marine highway projects as part of comprehensive program for both inter and intrastate domestic cargo moves. You may receive other stand-alone applications that have either origins or destinations in New Jersey and we felt it was important that this program be submitted to you as a context for those and future projects in the State.

Moving freight by the marine highway not only helps to conserve capacity and reduce wear on our strained highways, but also opens new economic development opportunities for our coastal cities and towns. As a maritime State, New Jersey stands firmly behind the expanded use of the marine highway system and will be seeking to ensure that the landside transportation infrastructure is ready to receive increased cargo. If you have any questions regarding our submission, please contact Mr. Scott Douglas of our Office of Maritime Resources at 609-530-4773.

Sincerely,

Robert Miller
Assistant Commissioner
Planning and Development

Enclosure



I. Introduction

The State respectfully requests that the US Maritime Administration (MARAD) designate the *New Jersey Marine Highway Platform* as a Marine Highway Project. This designation establishes a framework for New Jersey to harness the potential of its maritime resources and more fully develop domestic marine options to enhance the State's multi-modal freight system. New Jersey is unique in seeking a statewide designation.



However, the statewide nature of the program reflects the collaboration among agencies and private sector groups in New Jersey that are seeking cost effective and environmentally sustainable solutions for augmenting and improving our overall freight system. The successful collaboration among organizations is evident in the Liberty Corridor program and the Phase I projects currently underway.

New Jersey has long served as a major crossroad and expeditor of trade. The State has always been a leader in providing the infrastructure required to keep the local, regional and US economies on the move. New Jersey is not only a major crossroads for domestic freight; it is the East Coast's leading gateway for global commerce.

New Jersey's freight system is an extraordinary resource for the promotion of commerce, the creation of jobs and the elevation of our quality of life. This system includes trucking, water transport, air cargo, and rail freight carriers as well as terminals, warehousing distribution centers, supply chain service providers (such as freight facilitators, financial institutions, insurance and security providers, and information processors), and support operations. Nearly 500,000 people in New Jersey work to ensure efficient and effective freight movement, making goods movement the largest employer in the State.

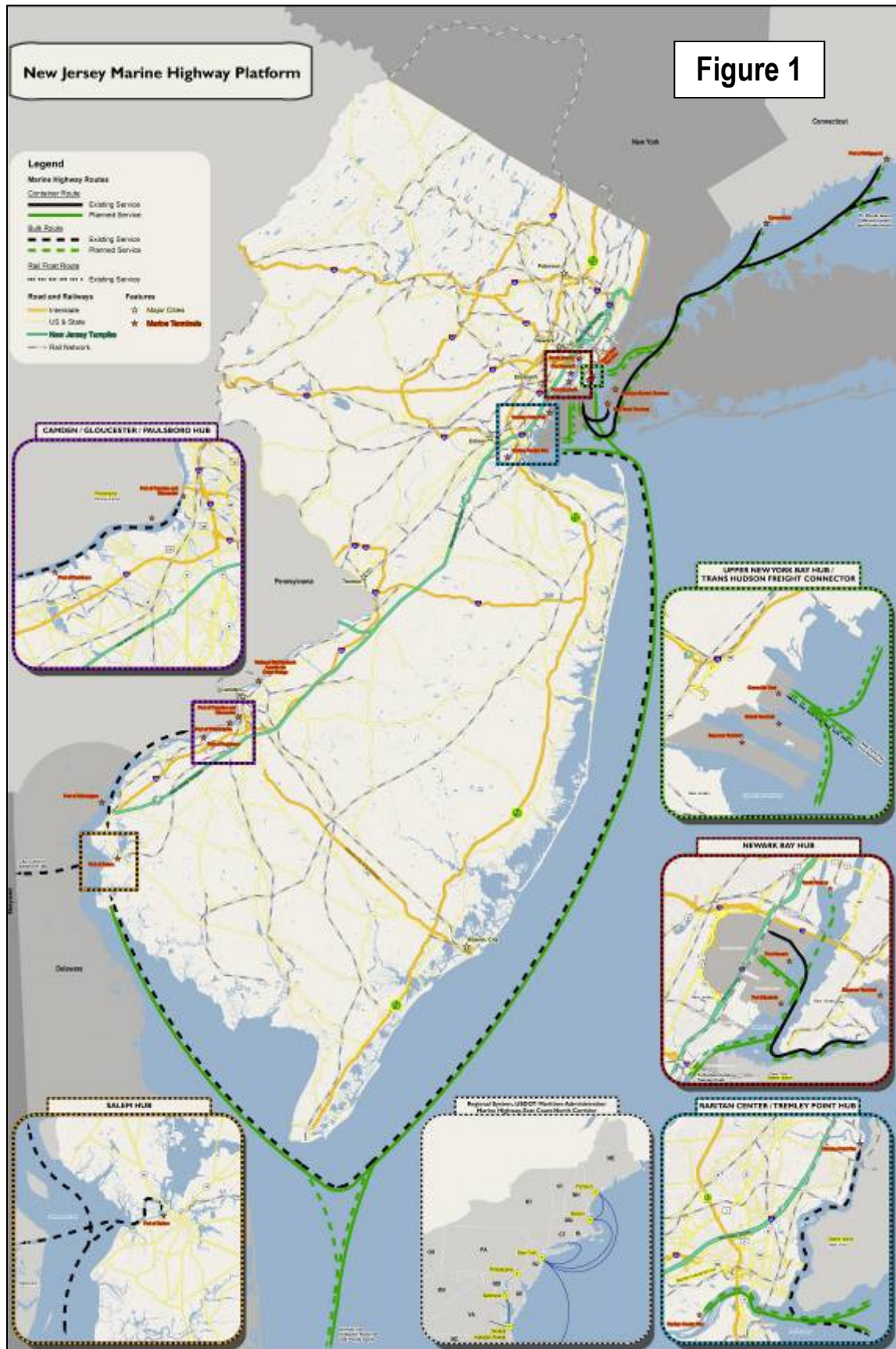
At the same time, New Jersey's freight system faces challenges. These challenges include:

- As the most densely populated state in the nation, New Jersey has little room to expand its roadway and rail network further.
- At the same time, missing links in the State's freight system have limited the ability of New Jersey businesses to serve key markets.
- With air quality non-attainment areas in the State, New Jersey is on the forefront of encouraging sustainable transportation options.

The New Jersey Marine Highway Platform will have a major role to play in ensuring New Jersey's future well being. It is an integral part of the State's strategy to build on what New Jersey currently offers; exploit emerging economic development and transportation opportunities; and minimize gridlock and potential environmental degradation.

II. A Project with Local, Regional and National Benefits

The New Jersey Marine Highway Platform consists of five key geographical locations within the State that currently have or are anticipated to expand as nodes of domestic maritime activity. The New Jersey Marine Highway Platform, shown in Figure I, is an integrated program of projects, connections and crossings as defined by MARAD that encompasses the State. Through the designation of the New Jersey Marine Highway Platform as a Marine Highway Program, MARAD will greatly assist the State in advancing a coordinated series of investments that will benefit the New Jersey, the region and the nation in a cost effective manner.





The five nodes in the New Jersey Marine Highway Platform are:

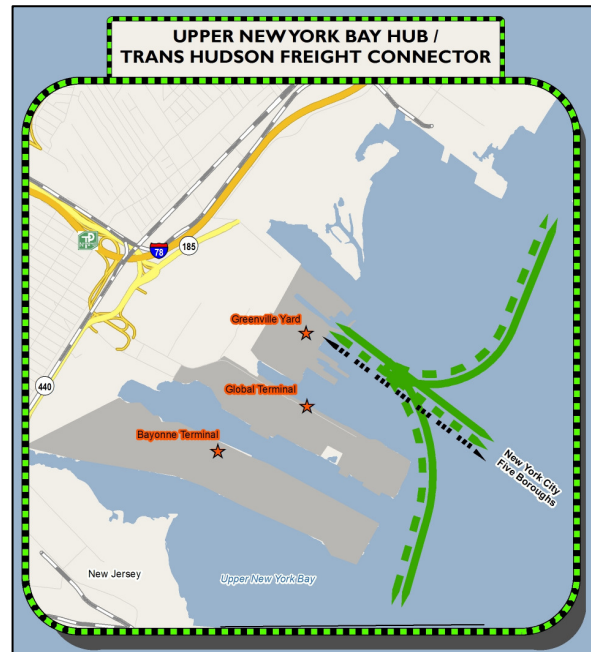
- Upper New York Bay Hub
- Newark Bay Hub
- Raritan/Linden Hub
- Camden/Gloucester/Paulsboro Hub
- Salem Hub

All of these locations have established histories of providing domestic maritime cargo conveyance for a wide range of commodities. Indeed, New Jersey has been extensively using its marine highway for decades and is now seeking to optimize its maritime assets to meet the increased demand for freight services. Figure II summarizes the existing services at the five nodes. Figure III summarizes the additional new services proposed as of the time of this application for the nodes.

A. Upper New York Bay Hub

The Upper New York Bay Hub encompasses waterfront operations in the Jersey City and Bayonne area. This area has a rich maritime history that includes a rail car float operation at Greenville Yard that has operated for nearly a century; the Bayonne peninsula which previously housed the Military Ocean Terminal and is now being redeveloped for international cargo movement and other land uses; and the Global Marine Terminal and former Northeast Auto Terminal, which is being redeveloped as a container terminal capable of handling the largest such vessels in operation or planned.

The Port Authority of New York and New Jersey is leading the redevelopment of this area, building on the marine highway uses of the location. The Port Authority is separately submitting an application to MARAD seeking designation of the Greenville Yard facility as a marine highway crossing. The New Jersey Department of Transportation supports this application. The *Trans-Hudson Freight Connector* currently operates as a rail car barge between Greenville Yard in Jersey City, New Jersey and 51st



Street Yard in Brooklyn, New York, and is the only freight rail crossing of the Hudson River south of Selkirk, New York, 140 miles to the north of New York City. The rail freight service is operated by New York New Jersey Rail (NYNJR), a switching and terminal railroad, which since September 2008 has been a wholly owned subsidiary of the Port Authority. Congestion at the New York-New Jersey bridges and tunnels, high fuel prices, and the region's overwhelming dependence on trucking services has led to a bi-state effort to revitalize the float system and better link rail markets south and west of New York City directly with the East of Hudson New York City area rail system.



At its Greenville Yard operation, NYNJR leases approximately 27 acres of land from Conrail, where it connects to the National Rail Network through interchange with two Class I railroads, CSX Transportation and Norfolk Southern Railway, which jointly operate Conrail's North Jersey Shared Assets Area. In Brooklyn, NYNJR operates the 6 acre Bush Terminal Yard, and will shortly commence operations at the 65th Street Yard to take advantage of its relatively modern infrastructure. The Brooklyn operation connects to the Bay Ridge Branch of the Long Island Railroad through interchange with the New York and Atlantic Railway.

As shown in Figure III, this node may also handle containerized municipal solid waste from New York City that will be transloaded to railcars for transport to inland disposal sites. Additional services for moving containerized cargo to locations in New York are also being investigated for this location.

The development of marine highway services at this node is being integrated with plans to enhance North American rail freight connections, improve the roadway connections to the New Jersey Turnpike, and expansion of the Jersey City and Bayonne waterfronts to accommodate the largest class of containerized vessels. This location is not affected by the air draft issues associated with the Bayonne Bridge and is anticipated to become an even more important component of New Jersey's multi-modal freight system.



Figure II: Existing Services at the New Jersey Marine Highway Platform Nodes

Hub	Terminal	Serving (Outbound)	Receiving (Inbound)	Commodity Types	Notes
Camden/ Paulsboro/ Gloucester	Broadway	New Haven, CT		Cement	
		Providence, RI		Cement	
	Beckett	South Carolina		Scrap	
Salem Hub	Paulsboro				
		Grasselli - Linden		Sand, Aggregate	
Raritan / Linden Hub	Port of Raritan				
	Grasselli - Linden		Port of Salem	Sand, Aggregate	
			Canada	Sand, Aggregate	
Newark Bay Hub	Port Elizabeth/ Port Newark		Boston, MA	Container Cargo /	Columbia Coastal
			Portland, ME	Paper/Pulp	
		Red Hook Terminal, Brooklyn NY		Container Cargo	
Upper NY Bay Hub	Greenville	Brooklyn, NY	Brooklyn, NY	Containerized and Bulk products	Trans-Hudson Freight Connector



Figure III: Proposed Additional Services as of 2010 at the New Jersey Marine Highway Platform Nodes

Hub	Terminal	Serving (Outbound)	Receiving (Inbound)	Commodity Types	Notes
Camden/ Paulsboro/ Gloucester	Broadway				
	Beckett				
	Paulsboro	Various Sites		Wind turbines	To installation location
Salem Hub	Port of Salem	Halifax, Nova Scotia		Agriculture/Grain	
		Norfolk, VA		Agriculture/Grain	
			Baltimore, MD	Sand, Aggregate	
Raritan / Linden Hub	Port of Raritan		New York City	Containerized MSW	
		Norfolk		Containers	
		CT, RI, MA		Containers	
		New York		Steel, Gypsum	
		New York		Sand, Aggregate	
			New York City	Containerized MSW	
Newark Bay Hub	Port Elizabeth/ Port Newark	New York		Sand, Aggregate	
		Queens (Blissville)		Container Cargo	
		Bronx, Hunts Point		Container Cargo	
		Staten Is, Howland Hook		Container Cargo	
		CT, RI, MA		Container Cargo	
Upper NY Bay Hub	Greenville	New York City (5 boroughs)	New York City (5 boroughs)	Container Cargo	

B. Newark Bay Hub



The Newark Bay node includes Port Newark/Elizabeth, the largest international seaport on the Atlantic Coast. In 2008, the port handled nearly 5.3 million TEUs, 88.9 million metric tons of cargo and more than 1 million automobiles. The maritime terminals in this complex import and export containers, breakbulk, roll on/roll off and bulk commodities. The existing domestic marine operations in this location include:

- Columbia Coastal barge service between the Port and Boston, Maine and Maryland.
- American Stevedoring barge service between this location and the Red Hook Marine Terminal in Brooklyn, New York.

The ConocoPhillips Bayway Refinery also uses the Kill Van Kull and Arthur Kill channels to receive and ship petrochemical products via barge to locations throughout New York and New Jersey.

Several proposals have been put forward to expand local, regional and coastwise service from this

location (Figure III), including domestic feeder vessels and barge operations to handle a range of commodities, ranging from international goods movement to local movement of containerized municipal solid waste to Kearny.

Significant investment has been made by multiple public and private sector organizations to improve the waterside, terminal and landside access that connects this location to the State, regional, North American and international marketplaces. The channel deepening effort is progressing on schedule with the Panama Canal expansion. The Port Authority has invested over \$600 million in its ExpressRail complex, including the completion of the Corbin Street Yard facility for building train sets.

Through collaboration among the Port Authority, the New Jersey Department of Transportation, Norfolk Southern Railroad, CSX and Conrail, multiple full doublestack clearance connections to the North America have been or are being completed. Roadway connections are also being enhanced. Some of this work has been facilitated through the Liberty Corridor Program. In addition, significant private sector investment has been made in the maritime infrastructure, along with improvements to increase environmentally sustainable practices and reduce the carbon footprint of the entire freight complex. MARAD designation of the New Jersey Marine Highway Platform will ensure that the full potential of this area is achieved.





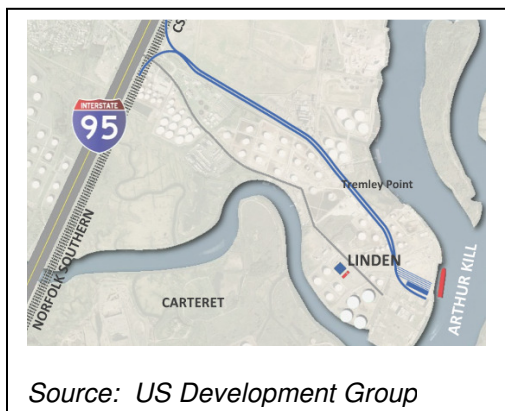
C. Raritan/Linden Hub

The Raritan/Linden node is an important industrial hub in the State and epitomizes New Jersey's goals for its overall freight system. The area includes Tremley Point, which encompasses several hundred acres of remediated brownfields poised for industrial redevelopment.

The Grasselli facility at Tremley Point is the northern terminus for the new aggregate barge service from the Port of Salem, a new marine highway service that enables the rich local resources of southern New Jersey to be used in the massive construction efforts in the New York City area, including the new trans-Hudson tunnel. The new Salem-Linden service makes this move possible; no rail freight service currently exists between the northern and southern regions of New Jersey to cost effectively handle this movement. The Salem-Linden service addresses a missing link in the State's freight system.

US Development Group recently completed a new bulk transload terminal at Tremley Point. The facility can receive and ship products by rail, vessel and barge. The facility has one 715 foot long vessel berth and two 405 foot long barge berths. The facility can accommodate 280 rail cars and 750,000 barrels of product.

Raritan Center is located south of Tremley Point. Raritan Center is one of the largest industrial parks in New Jersey and is on the cutting edge of logistics and supply chain trends. Raritan Center, which started its life as a military arsenal, has evolved into a freight village that brings together industrial customers, multiple forms of freight conveyance and services that support the park's workforce along with the surrounding community.



Source: US Development Group

As the North Jersey Transportation Authority noted in its application to MARAD to be designated as a Marine Highway Corridor, "Port Raritan has the potential to become a hub in the short sea shipping network of intra-port and east coast inter-port movements. Its location would provide convenient ocean or bay access via the main New York / New Jersey shipping channels. The planned reconstruction of the 2000 x 54' marginal wharf at Raritan Center, conveniently located on a federally controlled 25' deep waterway will be able to service the type of vessels that will be used in short sea shipping. The wharf will be served by Class 1 rail connections and access to national highway grid without entering residential areas. The updated facility will allow for the loading and discharging of a variety of goods including



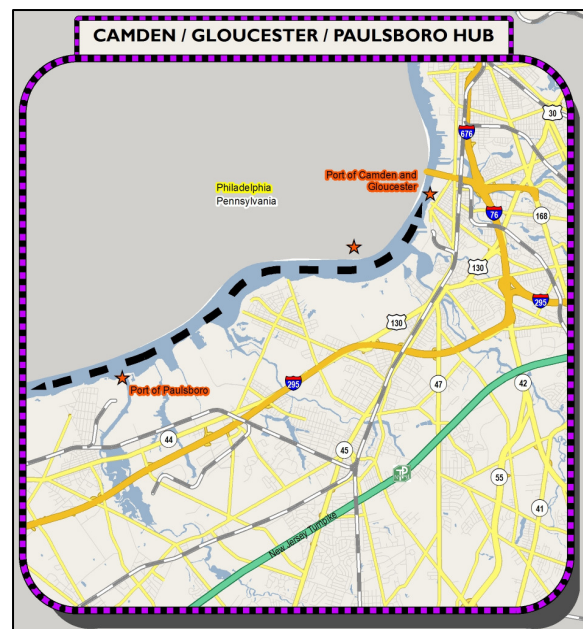
containerized, break-bulk, bulk, and heavy lift. This location for short sea shipping would have the potential to remove thousand of truck trips from New Jersey and New York's highways and bridges.”¹

D. Camden/Gloucester/Paulsboro Hub

The maritime terminals along the Delaware River include facilities operated by the South Jersey Port Corporation (SJPC), Holt Logistics and private terminals (for example, the Valero petroleum facilities). Tonnage through the SJPC terminals has grown 80 percent since 2000, particularly in terms of bulk movements (such as cocoa beans) and exports. Containerized cargo tonnage has doubled.

The marine terminals include:

- Beckett Street, which handles wood product, steel products, cocoa beans, containers, iron ore, furnace slag, scrap metal, project/over-dimensional cargo movements. The terminal encompasses 125 acres in Camden.
- Broadway, which handles petroleum coke, furnace slag, dolomite, other dry bulks, steel products, wood products, minerals, cocoa beans, and fresh fruit on 180 acres in Camden. The facility can also handle containerized cargo.
- Broadway Produce, operated exclusively by and for Del Monte, handles bananas, pineapples and other perishables on 26 acres in Camden.
- Gloucester Marine Terminal, operated by Holt Logistics and handling containerized cargo, steel, perishables (such as fresh fruit and frozen meat), forest products, and project/heavy lift shipments on 150 acres in Gloucester City.



- The Port of Paulsboro, which SJPC began building in September of 2009 covers 190 acres and is converting a brownfield into a maritime terminal with an environmentally sustainable design. The Port of Paulsboro is the potential site for the domestic exporting of offshore wind turbine components assembled at manufacturing facilities in New Jersey. The New Jersey Economic Development Authority believes that many opportunities are likely to exist to provide support for wind turbine component production in the future as the entire supply chain for the industry will need to be built out on the East Coast, and New Jersey will have an opportunity to attract a significant amount of economic development to the state. Thus, the marine highway operation at Paulsboro will potentially serve an emerging innovative



Source: greenjersey.org

¹ North Jersey Transportation Planning Authority submittal to US Maritime Administration to be designated as a Marine Highway Corridor, April 27, 2009, pp. 5-6.



energy industry, help attract new business to the State, and offer an eco-friendly efficient option for moving completed components to locations along the East Coast.

E: Salem Hub

The Port of Salem, located in the southernmost portion of the State, includes both SJPC and private terminal related operations. The Port of Salem currently handles aggregate (e.g., sand) and a US-Bermuda container service. The southern portion of New



Jersey has unique industries and strength – this area is one of the largest US producers and exporters of agricultural products, including grain, soybeans, fruits, vegetables and seafood. The area also includes significant deposits of sand and silica that is valuable for glass and solar panel production, as well as construction projects.

The area has significant transportation barriers to the effective movement of these commodities to key markets. Currently, no direct rail service exists between the northern and southern portions of the State, meaning that heavy bulk products, such as aggregates, cannot be readily or cost effectively utilized for construction projects in the New York City area. The New Jersey Department of Transportation has been actively investigating options for establishing north-south rail connectivity. However, the initial analysis indicates that such rail connectivity would be costly and potentially involve significant environmental issues.

Recently, a private sector service provider began a marine highway service between Salem and Tremley Point in Linden to move this aggregate product. This movement addresses a critical missing link in New Jersey's multi-modal freight system and links a supplier to a key market in an environmentally sustainable manner.

The Port of Salem is in the process of developing a similar grain operation, which will transport grain produced in the State to customers along the East Coast on the marine highway.

III. Marine Highway Corridor Served

The New Jersey Marine Highway Platform adds much needed modal options to the congested I-95 Corridor and is consistent with the I-95 Marine Highway Corridor. New Jersey is an active participant in the I-95 Corridor Coalition and anticipates working with the Coalition should our project receive MARAD designation.

The I-95 Marine Highway Corridor :²

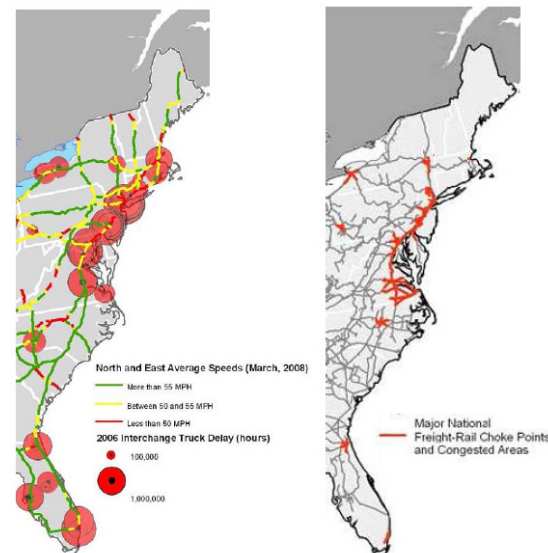
- Includes 15 states that account for 39 percent of the nation's GDP and house 37 percent of the nation's population.
- Contains 42 of the nation's top 100 metropolitan areas based on population and economic activity.

The I-95 Corridor is also one of the most congested and densely populated regions in the US (Figure IV, which shows anticipated peak period congestion in 2035). Limited room exists to develop new highway or rail freight capacity. Accordingly, the I-95 Corridor seeks to optimize all of options available for freight movement.

The I-95 Coalition's vision for the I-95 Marine Highway Corridor is a network of interconnected facilities, encompassing the waterways paralleling and complementing the Interstate 95 highway and rail network on the Eastern Seaboard from Maine to Florida, including coastal shipping lanes in the Atlantic, the Atlantic Intracoastal Waterway, and an extensive network of inland waterways connecting the coast to inland markets; access points and terminals where freight is transferred from land to sea; and multimodal landside connections to the surface transportation system.³ The New Jersey Marine Highway Platform fully integrates domestic waterborne movements with the overall freight system of roadways, railroads, and international ports.

The Corridor includes ports and maritime terminals that would be served by the New Jersey Marine Highway Platform (Figure V). Indeed, the New Jersey Marine Highway Platform is centrally located with the I-95 Marine Highway Corridor.

Figure IV: Illustrations of Congestion in the I-95 Corridor



Source: I-95 Corridor Coalition application to US Maritime Administration for Designation as a Marine Highway Corridor, May 2009.

² Source: I-95 Corridor Coalition application to US Maritime Administration for Designation as a Marine Highway Corridor, May 2009.

³ Cover letter to Michael Gordon, MARAD from Neil Pedersen, Chairman of the I-95 Corridor Coalition Executive Board with application for designation as a Marine Highway Corridor, May 28, 2009.

The I-95 Corridor Coalition envisions its Marine Highway Corridor role as:⁴

- Facilitating coordination among Marine Highway studies, projects and services, serving as a “table” to convene inter-regional parties in Corridor whose jurisdictions are purported to benefit from proposed Marine Highway projects for discussion, feedback, and issue analysis;
- Playing a lead role in coordinating information exchanges regarding Marine Highway projects and activities undertaken by stakeholders in the Corridor and nationally to share information on the best practices and lessons learned.
- Assisting in coordinating information exchange and new research into commodity flows and potential markets for services over the Marine Highway, working with stakeholders as business models for new services are developed;
- Identifying and establishing performance measures in collaboration with the Maritime Administration for evaluating potential new Marine Highway services; and
- In discussion with members and stakeholders, continuously updating roles and responsibilities in response to changing conditions.

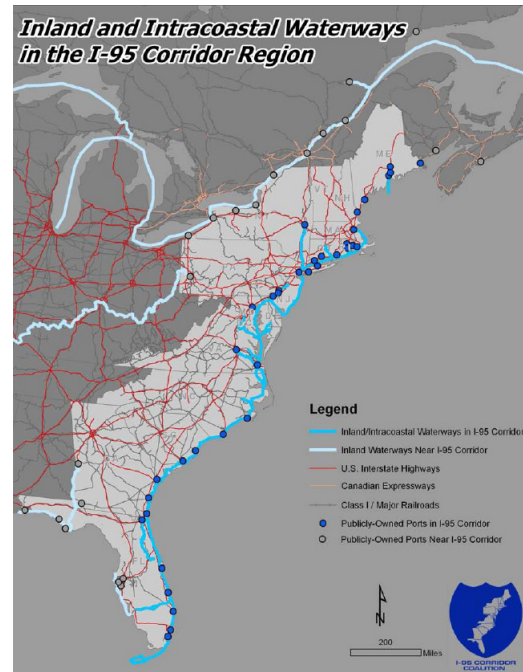
The New Jersey Marine Highway Platform envisions undertaking a similar set of roles within the State and coordinating with the I-95 Coalition at the Corridor level. The New Jersey Marine Highway Platform works as an organizing framework at the State level within the Corridor. New Jersey also envisions the I-95 Corridor Coalition as a conduit for conversations with other public and private sector entities as the marine highway program and specific projects advance.

The New Jersey Marine Highway Platform, as discussed further in the Business Plan section, is also consistent with the 2040 Vision for the I-95 Corridor Region. The 2040 Vision economic, environmental and energy principles include:⁵

- Sustain and enhance I-95 regional economic vitality and global competitiveness;
- Support a reduced carbon footprint for the I-95 region;
- Support a sustainable and secure energy future for the region; and
- Support transportation friendly land use development.

The Platform additionally advances the Vision’s transportation principles, which include:⁶

Figure V: I-95 Marine Highway Corridor



Source: I-95 Corridor Coalition application to US Maritime Administration for Designation as a Marine Highway Corridor, May 2009.

⁴ :I-95 Corridor Coalition application to US Maritime Administration for Designation as a Marine Highway Corridor, May 2009, p. 17.

⁵ :I-95 Corridor Coalition, *A 2040 Vision for the I-95 Coalition Region*, December 2008, p. E-5.

⁶ *Ibid.*, p. E-6.



- Invest in a 21st Century multimodal transportation system for the I-95 region that provides mobility for an increasing population and supports economic growth;
- Support seamless integrated intermodal passenger and freight systems for I-95 corridor region travel;
- Increase the corridor share of passenger miles of travel and freight ton miles that are handled on non-highway modes;
- Support AASHTO's safety goal to reduce fatalities by one-half by 2030;
- Implement advanced operations and technology solutions to support these goals; and
- Increase investment in the I-95 region's transportation infrastructure utilizing all potential revenue and financing mechanisms.

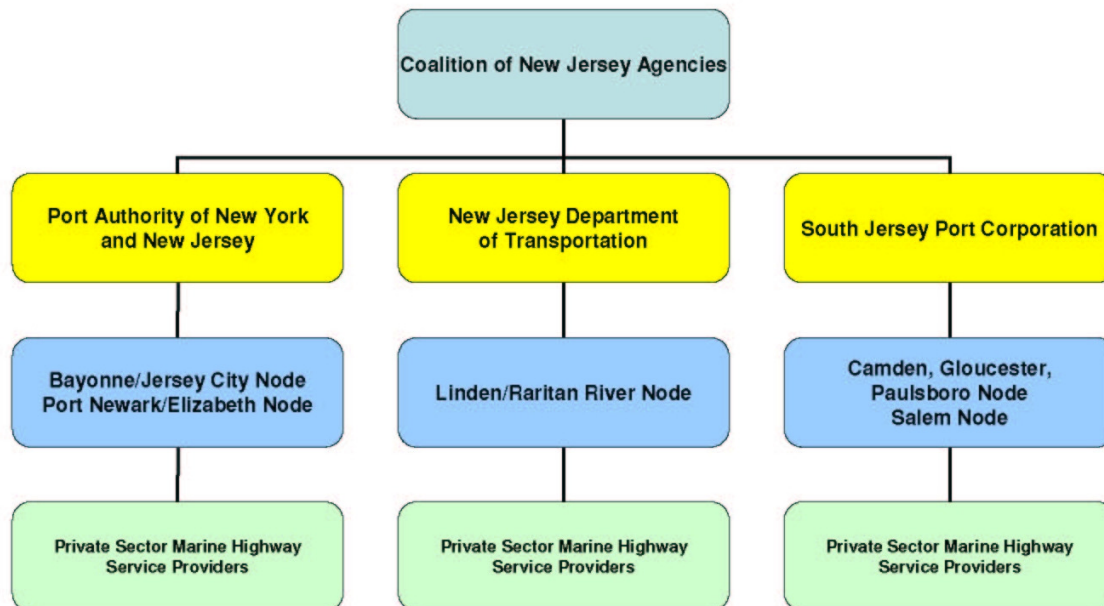
IV. Ports and Terminals Served

The New Jersey Marine Highway Platform serves the major port complexes in the State and connects New Jersey to domestic origins and destinations along the East Coast. Four of the five nodes have well established international port and terminal complexes, including all of the New Jersey terminals in the Port of New York and New Jersey and South Jersey Port Corporation. In addition, the New Jersey Marine Highway Platform recognizes an emerging node of domestic waterborne and industrial activity – the Linden/Raritan Center node. This node currently has private sector bulk barge activity and is positioned to emerge in the future as a multimodal hub and freight village.

The New Jersey Marine Highway Platform currently has services to and from other ports and terminals in the I-95 Corridor, including facilities in Maryland, Maine, New York and Massachusetts as shown in Figure II. As services at the nodes in the New Jersey Marine Highway Platform develop, a wide range of additional ports and terminals will be connected (Figure III). All of these connections occur within the framework of the Platform and optimize the overall freight system, address missing links and alleviate congestion.

V. Organization

The New Jersey Marine Highway Platform is a framework for the State to harness the potential of its maritime resources and more fully develop domestic marine options to enhance the State's multi-modal freight system. Many public and private sector entities are involved in successfully identifying, developing and operating marine highway terminals and integrating them into the overall freight system. The New Jersey Marine Highway Platform is the organizing principle for effectively advancing domestic maritime movement. As shown in Figure VI, New Jersey envisions overall guidance and coordination through a coalition of public sector agencies. Each of these agencies is directly involved in key aspects of the freight system and economic development in New Jersey.

Figure VI: The New Jersey Marine Highway Platform Organization

The coalition includes:

- The Office of the New Jersey Governor
- The New Jersey Department of Transportation (lead agency for the Coalition)
- The New Jersey Economic Development Authority
- The Port Agencies: The Port Authority of New York and New Jersey and South Jersey Port Corporation
- The State's three metropolitan planning organizations: the North Jersey Transportation Planning Authority, the South Jersey Transportation Planning Organization and the Delaware Valley Regional Planning Commission
- The New Jersey Turnpike
- New Jersey Transit (which operates on and/or owns lines with rail freight activity).

Similar to the Liberty Corridor Coalition, the New Jersey Marine Highway Platform Coalition will collaborate on plans, funding mechanisms and idea sharing. The Coalition of Agencies will coordinate and work with the I-95 Corridor Coalition and federal agencies and serve as a one-stop shop for marine highway projects in New Jersey.

At the node level, specific agencies will lead the implementation of marine highway activities. For example, the Port Authority of New York and New Jersey as the landlord agencies of the two northern nodes will be the lead implementing agency for those hubs. Similarly, the two southern nodes are owned by the South Jersey Port Corporation, who will assume the lead implementing role for these hubs.

The Linden/Raritan Center node is unique – the properties are privately owned. However, public sector support may be needed to ensure road and rail freight connections, as well as assisting in the implementation of waterside access. The New Jersey Department of Transportation will be the lead public sector facilitator for this node. NJDOT has already taken the lead in improving rail access from Raritan Center to the



Chemical Coast – a critical improvement that will allow intermodal connections between Port Elizabeth and Port Raritan.

The New Jersey Marine Highway Platform assumes that private sector entities will operate the majority of the services provided (the current Cross Harbor rail carfloat being the rare example of a public sector service provider). Under the Platform framework, private sector entities can and are invited to interact with the Coalition to advance marine highway services overall but would work with the specific implementing agency for the node to instigate specific services.

VI. Partnerships

The New Jersey Marine Highway Platform is based on partnerships and collaborations among public sector agencies and private sector organizations. The Platform is an organizing principle for advancing the use of domestic waterborne movement in a cost efficient and sustainable manner.

A. *Public-Public Partnerships*

As reflected in our organization chart, a coalition of public agencies will guide the development and expansion of the New Jersey Marine Highway Platform. We recognize that multiple entities are involved in successful multi-modal supply chains. Together, our agencies bring the knowledge, facilities and resources to achieve our vision.

B. *Public-Private*

The New Jersey Marine Highway Platform assumes that the vast majority of the domestic maritime services will be offered by private sector providers, similar to existing services and other elements of the freight transportation system. Accordingly, the Platform is actively engaging private sector organizations in the Coalition and working to develop arrangements that best combine the attributes of the public and private sectors.

C. *Private- Private*

The Linden/Raritan Center node is an example of a private-private partnership. Federal Business Center (the owners of Raritan Center) and the Raritan Central Railway (the shortline rail operator in the park) have partnered to develop marine highway services at their location. Such partnering is common for freight villages in the US and may be one of the ways that domestic maritime movement will ultimately be successful.

VII. External Cost Savings and Public Benefit

The existing and potential New Jersey Marine Highway routes generate, or will generate, a variety of significant public benefits. To quantify these benefits on an annual basis, the following analyses were performed.

- **Service Characteristics.** Each existing or potential service was identified according to its origin, destination, and cargo type. Where known, the current or planned annual service volumes (in tons and/or loaded container units) were noted; otherwise an estimated service volume was noted. The estimated volumes for future services were based on likely schedules, load factors, and existing comparables, and will need to be validated by service-specific market demand analyses as they advance towards



implementation. Tons and container units were converted into truckload equivalents (at 20 tons per truck, or one container unit per truck). Approximate highway and water service mileages between city pairs, sufficiently precise for planning purposes, were estimated using internet map software. In some cases water is the shorter route; in other cases highway is the shorter route. Finally, the equivalent Truck Vehicle Miles of Travel (VMT) that would be avoided by implementing the Marine Highway services was calculated (truck equivalents multiplied by highway mileage).

- **Travel Time Benefits.** Fewer truck miles of travel means less highway congestion. For a previous TIGER grant application, Cambridge Systematics, Inc. (CS) ran the HERS model for a 13-state corridor including New Jersey and derived a factor relating changes in truck VMT to changes in travel time for all vehicles on the highway network (0.0178 reduced travel hours per avoided VMT). Truck VMT avoided times this factor yields reduced hours of travel. The monetized value of the reduced hours of travel was calculated based on \$24.62 per hour (from NHTSA).
- **Highway Safety Benefits.** Fewer truck miles of travel means fewer truck-related crashes. For a previous TIGER grant application, CS developed factors relating truck VMT to heavy truck crash rates (0.994 crashes avoided per million truck VMT avoided) and value of avoided crashes (\$0.084 per truck VMT avoided) over a 13-state network including New Jersey. Truck VMT avoided times these factors yields the number and value of avoided truck crashes.
- **Highway Maintenance Benefits.** Fewer truck miles of travel means less wear and tear on highway pavement. For a previous TIGER grant application, CS developed an estimate of \$0.087 per mile as the unallocated cost (e.g., not paid back from fees or taxes) of highway damage due to heavy trucks. Truck VMT avoided times this factor yields the value of pavement damage avoided.
- **Fuel Consumption Benefits.** Water transportation is significantly more fuel efficient than trucking on a per ton-mile basis. The fuel required to move the Marine Highway System volumes by truck was calculated by multiplying tonnage estimates by highway route mileage, then dividing by a fuel efficiency factor calculated by the Texas Transportation Institute (155 ton-miles per gallon). The fuel required to move the Marine Highway System volumes by water was calculated by multiplying tonnage estimates by water route mileage, then dividing by a fuel efficiency factor calculated by the Texas Transportation Institute (576 ton-miles per gallon). (The TTI factor was developed for inland waterways, and efficiency factors for coastal movement may differ somewhat.) The difference in fuel consumption is the fuel savings from implementing the Marine Highway System. The value of the saved fuel was then estimated using the NHTSA-recommended value of \$3.33 per gallon.
- **Carbon Emissions Benefits.** Finally, less fuel consumed in transporting goods means less carbon emissions. The fuel savings was converted to carbon emissions savings using carbon production factors developed by the U.S. EPA (22.2 lbs per gallon, or 90.09 gallons to produce one ton), and the value of these emissions savings was monetized (at \$29.94 per ton) as recommended by NHTSA.

Figure VII: Summary of Annualized New Jersey Marine Highway Benefits

	Existing Services	Potential Services
Tons	3,100,000	6,650,000
Loaded Containers	42,500	282,500
Truck Equivalents	155,000	332,500
Truck VMT Avoided	31,557,500	34,090,000
Reduced Highway Travel Time (hours)	562,133	607,245
Reduced Truck Crashes	32	34
Reduced Fuel Consumption (gallons)	2,657,868	3,278,397
Reduced Carbon Emissions (tons)	30,519	36,390
Reduced Pavement Maintenance Costs (\$)	\$2,745,503	\$2,965,830
Total Monetized Benefits	\$29,312,508	\$32,793,944



As shown in Figure VII, New Jersey already derives substantial benefits from its existing Marine Highway System operations. The development of additional Potential Services will accommodate significantly more tonnage, and more than double the non-monetized and monetized system benefits to New Jersey and its partner states. Additional information on external cost savings and public benefit is provided in Appendix A.

VIII. Capacity Alternatives

New Jersey is the most densely populated state in the nation. While the State has a robust multi-modal freight system, New Jersey also has several crucial missing links, congestion on its roadways, and little space to develop new surface transportation rights of way. The State's capacity alternatives are limited.

The New Jersey Marine Highway Platform is already addressing some of these capacity issues. For example, as previously noted, the lack of a north-south rail freight route has largely prevented the use of resources in southern New Jersey for major construction projects in the northern area of the State. The rail options are limited, expensive and may have environmental issues. The development of a barge service between Salem and Linden helps address the demand and may ultimately save the State and railroads hundreds of millions of dollars.

IX. Business Plan

A. Business Objectives and Guiding Principles

The statewide nature of the Platform reflects the collaboration among agencies and private sector groups in New Jersey that are seeking cost effective and environmentally sustainable solutions for augmenting and improving our overall freight system. The New Jersey Marine Highway Platform is an integrated program of marine highway projects, crossings and connections.

The Platform's Business Plan revolves around our objectives and guiding principles and is fueled by the vast amount of freight that flows into, out of, through and within New Jersey. The business objectives of the New Jersey Highway Platform are to:

- Serve the legacy, current and future businesses in the State by providing enhanced modal choices to customers.
- Maintain and enhance New Jersey's role as a premiere gateway and hub port for international maritime movements.
- Cost-effectively address critical missing links in the state and multi-state freight system (e.g., north-south connectivity).
- Focus on developing marine highway services that are financially and environmentally sustainable.
- Ensure that the surface transportation connections to our marine highway are maintained, improved or expanded as needed to keep pace with the goods movement needs.

Our guiding principles include:

- Leverage the resources of public agencies in New Jersey to achieve marine highway services through collaboration.
- Encourage private sector investment in the freight transportation system.



- Optimize all modal options to, from and within the State.
- Continue to lead the way in innovative freight distribution.

The New Jersey Marine Highway Platform intends to be deliberate and thoughtful in nurturing routes and services. We will build on the best practices of our existing successful marine highway movements and consider shipper requirements and market realities moving forward.

As will be discussed in the Support Section, we recognize the risks and concerns associated with developing freight services. However, with successful services already in place, a coalition of agencies involved in the Platform, and innovative private sector companies willing to put significant equity into developing services, New Jersey looks forward to long-term success.

B. Abundant Market Opportunities

In 2007, nearly 715 million tons of freight moved into, out of, within and through the State of New Jersey (Figure VIII). The vast majority of this traffic – 82 percent -- moved via trucks. The New Jersey Marine Highway Platform focuses on internal, inbound and outbound movements and anticipates working with I-95 on marine services that target current through traffic.

Figure VIII: Commodity Flows Into, Out of, Within and Through New Jersey

Direction	2007 Tons					Grand Total
	Air	Other	Rail	Truck	Water	
Inbound	220,844	1,249,689	24,634,520	103,920,065	37,101,836	167,126,955
Internal			262,200	118,379,074	11,853,977	130,495,251
Outbound	258,966	90,552	12,792,771	131,163,645	27,374,723	171,680,657
Through		1,328,715	8,010,411	235,894,149	33,723	245,266,998
Grand Total	479,810	2,668,956	45,699,902	589,356,933	76,364,258	714,569,860
<i>Source: 2007 Global Insight Transearch Data analyzed by Cambridge Systematics</i>						

The marine highway services already operating in New Jersey demonstrate that a wide variety of commodities can be handled effectively. Emerging markets encompass a broad range of commodities and shipment types, including retail products, building materials, over-dimensional shipments (such as wind turbine components) and municipal solid waste. With shippers and transportation providers seeking to move products more efficiently and in an environmentally sustainable manner, along with the large quantities moving, New Jersey believes that a robust and growing market exists for marine highway services.

X. Proposed Project Timeline

The New Jersey Marine Highway Platform in an integrated and ongoing program of projects, crossings and connections. The Platform builds on existing marine services, as well as the State's current and planned freight system. As such, the New Jersey Marine Highway Platform has been underway for many years.



Now, with a coalition of agencies and increasing private sector interest in domestic marine services, we anticipate working together to identify opportunities, advance projects and monitor performance on a continual basis.

XI. Support

The New Jersey Marine Highway Platform recognizes that risks and concerns exist and include:

- Intermodal marine highway projects have sometimes been slow to start and appear to need public funds to begin.
- Some marine highway services, such as feeder services, are well known in Europe and Asia but non-existent in the US – a learning curve will be involved.
- The current marine highway project definition appears to exclude bulk and dimensional shipments that may be prime markets for domestic marine movements. The New Jersey Marine Highway Platform focuses on moving all commodities that appear appropriate for domestic waterborne conveyance whether the shipments are in containers, in trailers or in bulk loads; New Jersey is seeking to use all available resources and routings to enhance our overall freight system, meet the needs of the State's economic base, and promote sustainable supply chain options.
- Rail and road congestion became less of an issue with the recession. Now, as the economy moves into recovery, concerns about capacity have resurfaced and generated great concern among both the public and private sectors.
- The Harbor Maintenance Tax has not been repealed or modified. This could limit private sector interest in marine highway services.
- Worldwide and domestic economic slowdowns may affect demand and credit markets.
- Delays by the shipyards and/or marine highway service providers could affect the timeliness of implementing services.

Nevertheless, the New Jersey Marine Highway Platform addresses both the immediate and longer term economic development and freight transportation goals of the State. New Jersey has successful domestic waterborne movements and will build on that success.

XII. Public Support

Projects in Phase I of the Liberty Corridor used a variety of funding sources. Investments by private sector organizations and local agencies represented the major share of funding for most of the Phase I projects; federal funds acted as enablers – bringing the last, minority share of funds needed to enable the projects to advance.

The New Jersey Marine Highway Platform envisions a similar funding strategy. This approach demonstrates private sector and local agency commitment to the goals and success of the Platform.

At this time, the New Jersey Marine Highway Platform is not seeking federal funds; New Jersey only asks that the Platform be designated as a Marine Highway Project.



XIII. Environmental Considerations

The environmental benefits of the use of waterways over other modes have been well established. Despite this, it is often true that as maritime services are built or expanded, sensitive wetland and riparian habitats are disturbed or destroyed. Fortunately, the facilities envisioned in the New Jersey Marine Highway Platform are primarily existing facilities. The use and rehabilitation of existing water dependent facilities is consistent with the State's Coastal Zone Management Plan.

However, there are some key exceptions. The Paulsboro Port is currently working through its environmental permitting process. Avoidance of impacts where possible, and mitigation of impacts where not avoidable is the driving philosophy behind all maritime construction activities in the State of New Jersey. Paulsboro's unique design is a testament to the ability to be both commercially viable and environmentally sensitive. In addition, the development of this site will remediate a brownfield, thereby eliminating a source of contamination to the Delaware River. As other facilities come on line in our Platform, the environmental considerations will be approached in a similar fashion as Paulsboro.

Dredging may be required for some facilities as they expand. The NJDOT Office of Maritime Resources has been instrumental in fostering the State's policy of beneficial use of dredged material. This Office will work closely with the nodes to ensure that dredging and dredged material management issues do not hold up improvements to the Marine Highway Platform.

XIII. Cost Benefit

The five nodes in the New Jersey Marine Highway Platform contain varied projects and situations. Each project, crossing and connection will be subject to a separate cost benefit assessment. Overall, the New Jersey Marine Highway Platform is designed to share our collective strengths, resources and capabilities to optimize the use of this modal option in the freight system.



Appendix A: Public Benefits Calculation



New Jersey Marine Highway Platform

EXISTING SERVICES

SERVICE CHARACTERISTICS	"Marine Highway" Container Services				Bulk Barge Services				Camden		Camden		Camden		Trans-Hudson		Total
	Port Newark/Elizabeth Boston MA	Port Newark/Elizabeth Portland ME	Port Newark/Elizabeth Red Hook	Port Newark/Elizabeth Red Hook	Raritan/Linden Salem	Raritan/Linden Canada (ME/CA border)	Camden New Haven CT	Camden Providence RI	Camden South Carolina (Charleston)	Camden South Carolina (Charleston)	Camden South Carolina (Charleston)	Camden South Carolina (Charleston)	Camden South Carolina (Charleston)	Camden South Carolina (Charleston)	Trans-Hudson Greenville 51st	Trans-Hudson Greenville 51st	
Terminal 1	Containers	Containers	Containers	Containers	Bulk	Bulk	Bulk	Bulk	Bulk	Bulk	Bulk	Bulk	Bulk	Bulk	Bulk and Container	Bulk and Container	
Annual Tons	500,000	100,000	250,000	250,000	250,000	250,000	250,000	250,000	250,000	250,000	250,000	250,000	250,000	250,000	1,000,000	1,000,000	3,100,000
Annual Container Units (Loads)	25,000	5,000	12,500	12,500	na	na	na	na	na	na	na	na	na	na	na	na	42,500
Truck Equivalents	25,000	5,000	12,500	12,500	12,500	12,500	12,500	12,500	12,500	12,500	12,500	12,500	12,500	12,500	50,000	50,000	155,000
Approx Truck Route Mileage	228	329	26	26	111	600	173	275	684	684	684	684	684	684	17	17	
Approx Water Route Mileage	330	430	13	13	210	630	310	380	660	660	660	660	660	660	3	3	
Truck Equivalent VMT Avoided	5,700,000	1,645,000	325,000	325,000	1,387,500	7,500,000	2,162,500	3,437,500	8,550,000	8,550,000	8,550,000	8,550,000	8,550,000	8,550,000	850,000	850,000	31,557,500
TRAVEL TIME BENEFITS																	
Reduced Travel Hours per Truck VMT Avoided	0.0178	0.0178	0.0178	0.0178	0.0178	0.0178	0.0178	0.0178	0.0178	0.0178	0.0178	0.0178	0.0178	0.0178	0.0178	0.0178	
Reduced Travel Hours, All Vehicles	101,534	29,302	5,789	5,789	24,716	133,597	38,521	61,232	152,301	152,301	152,301	152,301	152,301	152,301	15,141	15,141	562,133
Value of Each Reduced Travel Hour	\$ 24.62	\$ 24.62	\$ 24.62	\$ 24.62	\$ 24.62	\$ 24.62	\$ 24.62	\$ 24.62	\$ 24.62	\$ 24.62	\$ 24.62	\$ 24.62	\$ 24.62	\$ 24.62	\$ 24.62	\$ 24.62	\$
Value of All Reduced Travel Hours	\$ 2,499,768	\$ 721,424	\$ 142,531	\$ 142,531	\$ 608,496	\$ 3,289,168	\$ 948,377	\$ 1,507,535	\$ 3,749,651	\$ 3,749,651	\$ 3,749,651	\$ 3,749,651	\$ 3,749,651	\$ 3,749,651	\$ 372,772	\$ 372,772	\$ 13,839,722
HIGHWAY SAFETY BENEFITS																	
Heavy Truck Crash Rate (per million VMT)	0.994046	0.994046	0.994046	0.994046	0.994046	0.994046	0.994046	0.994046	0.994046	0.994046	0.994046	0.994046	0.994046	0.994046	0.994046	0.994046	
Truck Crashes Avoided	5.7	1.6	0.3	0.3	1.4	7.5	2.2	3.4	8.6	8.6	8.6	8.6	8.6	8.6	0.9	0.9	32
Value of Avoided Crashes (\$ per VMT)	\$ 0.084223	\$ 0.084223	\$ 0.084223	\$ 0.084223	\$ 0.084223	\$ 0.084223	\$ 0.084223	\$ 0.084223	\$ 0.084223	\$ 0.084223	\$ 0.084223	\$ 0.084223	\$ 0.084223	\$ 0.084223	\$ 0.084223	\$ 0.084223	\$
Value of Truck Crashes Avoided	\$ 480,071	\$ 138,547	\$ 27,372	\$ 27,372	\$ 116,859	\$ 631,673	\$ 182,132	\$ 289,517	\$ 720,107	\$ 720,107	\$ 720,107	\$ 720,107	\$ 720,107	\$ 720,107	\$ 71,590	\$ 71,590	\$ 2,657,868
HIGHWAY MAINTENANCE BENEFITS																	
Unallocated Pavement Costs per Truck VMT	0.087	0.087	0.087	0.087	0.087	0.087	0.087	0.087	0.087	0.087	0.087	0.087	0.087	0.087	0.087	0.087	
Unallocated Pavement Costs Avoided	\$ 495,900	\$ 143,115	\$ 28,275	\$ 28,275	\$ 120,713	\$ 652,500	\$ 188,138	\$ 299,063	\$ 743,850	\$ 743,850	\$ 743,850	\$ 743,850	\$ 743,850	\$ 743,850	\$ 73,950	\$ 73,950	\$ 2,745,503
FUEL CONSUMPTION BENEFITS																	
Ton-Miles per gallon of fuel by truck	155	155	155	155	155	155	155	155	155	155	155	155	155	155	155	155	
Ton-Miles by truck	114,000,000	32,900,000	6,500,000	6,500,000	27,750,000	150,000,000	43,250,000	68,750,000	171,000,000	171,000,000	171,000,000	171,000,000	171,000,000	171,000,000	17,000,000	17,000,000	
Gallons of fuel by truck	735,484	212,258	41,935	41,935	179,032	967,742	279,032	443,548	1,103,226	1,103,226	1,103,226	1,103,226	1,103,226	1,103,226	109,677	109,677	
Ton-Miles per gallon of fuel by water	576	576	576	576	576	576	576	576	576	576	576	576	576	576	576	576	
Ton-Miles by water	165,000,000	43,000,000	3,250,000	3,250,000	52,500,000	157,500,000	77,500,000	95,000,000	165,000,000	165,000,000	165,000,000	165,000,000	165,000,000	165,000,000	3,000,000	3,000,000	
Gallons of fuel by water	286,458	74,653	5,642	5,642	91,146	273,438	134,549	164,931	286,458	286,458	286,458	286,458	286,458	286,458	5,208	5,208	
Total gallons of fuel saved	449,026	137,605	36,293	36,293	87,886	694,304	144,484	278,618	816,767	816,767	816,767	816,767	816,767	816,767	104,469	104,469	
Value of diesel fuel	\$ 3.33	\$ 3.33	\$ 3.33	\$ 3.33	\$ 3.33	\$ 3.33	\$ 3.33	\$ 3.33	\$ 3.33	\$ 3.33	\$ 3.33	\$ 3.33	\$ 3.33	\$ 3.33	\$ 3.33	\$ 3.33	
Total value of fuel saved	\$ 1,495,255	\$ 458,226	\$ 120,856	\$ 120,856	\$ 292,662	\$ 2,312,034	\$ 481,131	\$ 927,797	\$ 2,719,836	\$ 2,719,836	\$ 2,719,836	\$ 2,719,836	\$ 2,719,836	\$ 2,719,836	\$ 347,882	\$ 347,882	\$ 9,155,678
CARBON EMISSIONS BENEFITS																	
Carbon emissions production (gallons per ton)	90.09	90.09	90.09	90.09	90.09	90.09	90.09	90.09	90.09	90.09	90.09	90.09	90.09	90.09	90.09	90.09	
Carbon emissions avoided (tons)	4,984	1,527	403	403	976	7,707	1,604	3,093	9,066	9,066	9,066	9,066	9,066	9,066	1,160	1,160	
Carbon emissions costs (dollars per ton)	\$ 29.94	\$ 29.94	\$ 29.94	\$ 29.94	\$ 29.94	\$ 29.94	\$ 29.94	\$ 29.94	\$ 29.94	\$ 29.94	\$ 29.94	\$ 29.94	\$ 29.94	\$ 29.94	\$ 29.94	\$ 29.94	
Carbon costs avoided	\$ 149,227	\$ 45,731	\$ 12,061	\$ 12,061	\$ 29,208	\$ 230,741	\$ 48,017	\$ 92,594	\$ 271,440	\$ 271,440	\$ 271,440	\$ 271,440	\$ 271,440	\$ 271,440	\$ 34,719	\$ 34,719	\$ 913,738
SUM OF MONETIZED BENEFITS	\$ 5,120,220	\$ 1,507,043	\$ 331,096	\$ 331,096	\$ 1,167,937	\$ 7,116,116	\$ 1,847,794	\$ 3,116,506	\$ 8,204,884	\$ 8,204,884	\$ 8,204,884	\$ 8,204,884	\$ 8,204,884	\$ 8,204,884	\$ 900,913	\$ 900,913	\$ 29,312,508

For containers, 25,000 units reflects one round trip per week, loaded both ways; or more frequent service with smaller loads
For containers, 5,000 units reflects one trip every two weeks, loaded one way
For bulk, 100,000 tons reflects one round trip per week, loaded one way
For Trans Hudson, 1,000,000 tons reflects 4 daily rail barge round trips, loaded one way
Estimates based on actual known volumes are highlighted in green.



New Jersey Marine Highway Platform

FUTURE SERVICES

SERVICE CHARACTERISTICS

SERVICE CHARACTERISTICS														Bulk Barge Services										Total																																																																																																																																																																																																																																																																																																																																																																																	
Terminal 1	Port Newark/ Elizabeth	Port Newark/ Elizabeth	Port Newark/ Elizabeth	Port Newark/ Elizabeth	Port Newark/ Elizabeth	Port Newark/ Elizabeth	Port Newark/ Elizabeth	Port Newark/ Elizabeth	Port Newark/ Elizabeth	Port Newark/ Elizabeth	Port Newark/ Elizabeth	Port Newark/ Elizabeth	Port Newark/ Elizabeth	Port Newark/ Elizabeth	Port Newark/ Elizabeth	Port Newark/ Elizabeth	Port Newark/ Elizabeth	Port Newark/ Elizabeth	Port Newark/ Elizabeth	Port Newark/ Elizabeth	Port Newark/ Elizabeth	Port Newark/ Elizabeth	Port Newark/ Elizabeth	Port Newark/ Elizabeth	Port Newark/ Elizabeth	Port Newark/ Elizabeth	Port Newark/ Elizabeth	Port Newark/ Elizabeth	Port Newark/ Elizabeth	Port Newark/ Elizabeth	Port Newark/ Elizabeth	Port Newark/ Elizabeth	Port Newark/ Elizabeth	Port Newark/ Elizabeth	Port Newark/ Elizabeth	Port Newark/ Elizabeth	Port Newark/ Elizabeth	Port Newark/ Elizabeth	Port Newark/ Elizabeth	Port Newark/ Elizabeth	Port Newark/ Elizabeth	Port Newark/ Elizabeth	Port Newark/ 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Elizabeth	Port Newark/ Elizabeth	Port Newark/ Elizabeth	Port Newark/ Elizabeth	Port Newark/ Elizabeth	Port Newark/ Elizabeth	Port Newark/ Elizabeth



Appendix B: Letters of Support



THE PORT AUTHORITY OF NY & NJ

June 10, 2010

R.M. Larrabee
Director, Port Commerce Department

Mr. Michael Gordon
Office of Intermodal System Development
Marine Highways and Passenger Services
MAR-520 Suite W21-315
1200 New Jersey Avenue, SE
Washington, DC 20590

Re: New Jersey Marine Highway Platform

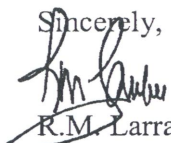
Dear Mr. Gordon:

I am writing to express The Port Authority of New York and New Jersey's (Port Authority) strong support of the application submitted by the New Jersey Department of Transportation (NJDOT) for the New Jersey Marine Highway Platform for designation as a *Marine Highway Project* under the American Marine Highway Program. This application contains a vision for New Jersey as a central part of domestic freight movements along the I-95 Marine Highway Corridor. The Port Authority not only shares in this vision but also is an active partner participating in the existing daily movements.

The Port of New York and New Jersey contributes significantly to the economy of the State of New Jersey and the region, both through international and domestic cargo movement. Currently, nearly all of the cargo movements in the New York-New Jersey region occur via truck, creating chokepoints and increasing congestion costs. Domestic shipping is a re-emerging sector of domestic movement -- a bow to the historic waterfronts in the 1800s and early 1900s -- that could alleviate trucks transiting along state and local roadways, and across the bistate bridges and tunnels.

The Port Authority has also submitted an application for consideration to MARAD for designation of the rail car float (New York New Jersey Rail) and related terminal services the agency is rebuilding and operating as the Trans Hudson Freight Connector as a *Marine Crossing*. This project is an important northern hub component of the NJDOT's statewide plan. The agency shares NJDOT's determination that obtaining designation by MARAD will allow the system to more readily obtain the private and public investments necessary to improve the existing facilities and build new marine infrastructure to maximize the enormous potential of the American Marine Highway. The Port Authority appreciates MARAD's consideration of New Jersey Department of Transportation's application and looks forward to working together to reinvigorate the marine highway system.

Sincerely,


R.M. Larrabee
Director
Port Commerce Department

cc: W. Scott Douglas, NJDOT, Office of Maritime Resources

225 Park Avenue South, 11th Floor
New York, NY 10003
T: 212 435 4218 F: 212 435 4201

rlarrabee@panynj.gov



SOUTH JERSEY PORT CORPORATION

An agency of the State of New Jersey

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Executive Director & CEO

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www.southjerseyport.com

June 10, 2010

Mr. James Simpson, Commissioner
New Jersey Department of Transportation
PO Box 600
Trenton, NJ 08625

Re: New Jersey Marine Highway Platform

Dear Mr. Simpson:

As part of the State of New Jersey's commitment to enhancing freight movements, we are aware that the New Jersey Department of Transportation is submitting an application for the New Jersey Marine Highway Platform for designation as a Marine Highway Project under the American Marine Highway Program Final Rule, MARAD-2010-0035 published in the Federal Register (49 CFR 393). This application contains a vision for New Jersey as a central part of domestic freight movements along the I-95 Marine Highway Corridor. The South Jersey Port Corporation (SJPC) strongly supports this application.

New Jersey relies heavily on both international and domestic cargo movement as a critical component of its economy, and for this reason invests heavily in the transportation infrastructure necessary to ensure the competitiveness of both public and private sector players in freight handling, processing and movement. Historically, domestic shipping has played an integral role in SJPC's daily marine terminal operations. We look forward to its re-emergence in the current economy and along with the State of New Jersey are poised to play a leading role.

Moving freight by the marine highway not only helps to conserve capacity and reduce wear on our strained highways, but also opens new economic development opportunities for our waterside towns and counties. As a maritime State, New Jersey stands firmly behind the expanded use of the marine highway system and is working with its regional partners to both the North and South to ensure that it will be ready to play its part in the I-95 Marine Highway Corridor. A number of the routes outlined in the New Jersey Marine Highway Platform will be seeking their own designations as Projects.

By obtaining designation as a Marine Highway Project, New Jersey and its partners will be able to more readily obtain the private and public investments necessary to improve the existing and build new marine infrastructure to maximize the enormous potential of the American Marine Highway. The nodal plan clearly shows New Jersey's willingness and ability to serve this emerging market. We urge MARAD to favorably consider this application.

If you have any questions regarding our submission, please feel free to contact either myself at 856 757 4969 or Mr. Scott Douglas, NJDOT Office of Maritime Resources at 609 530 4773.

Sincerely,

A handwritten signature in blue ink that reads "Joseph A. Balzano". The signature is fluid and cursive, with the first name being the most prominent.

Joseph A. Balzano
Executive Director and CEO
South Jersey Port Corporation

cc: Michael Gordon, MARAD
W. Scott Douglas, NJDOT, Office of Maritime Resources



*One Newark Center, 17th floor, Newark, NJ 07102
(973) 639-8400; fax (973) 639-1953; www.njtpa.org*

*Dennis McNerney, Chairman
Mary K. Murphy, Executive Director*

June 10, 2010

US Department of Transportation
1200 New Jersey Avenue SE
Docket operations, M-30
Room W12-140
Washington, DC 20590

Re: Docket No. MARAD-2010-0035
RIN 2133-AB70
America's Marine Highway Program

Dear Sir or Madam:

The North Jersey Transportation Planning Authority (NJTPA) is the federally authorized Metropolitan Planning Organization for the 13 county northern New Jersey region. Each year the NJTPA oversees more than \$2 billion in transportation investments. It evaluates and approves proposed transportation improvement projects and provides a forum for interagency cooperation and public input into funding decisions.

In Plan 2035, the Regional Transportation Plan for Northern New Jersey, the NJTPA noted the developing importance of waterborne transportation of freight as a means to mitigate congestion on our region's highways and bridges. We further recommended support for opportunities involving marine transportation of cross harbor/inter-coastal short sea shipping and freight barge and ferry services.

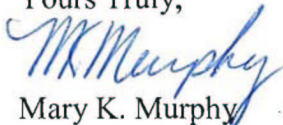
In our April 27, 2009, submission to MARAD requesting designation of marine highway corridors in the region, NJTPA noted the following three potential commercial opportunities: Kearny Point, Raritan Center and Tremley Point. In addition, we identified the existing New York New Jersey Rail carfloat operation at Greenville Yard as a marine highway project candidate. These proposed projects collectively offer the short term ability to remove over 200,000 truck trips from the region's highways and river crossings annually. The NJTPA therefore endorses these four opportunities along with the other

maritime opportunities that are identified as part of the New Jersey Marine Highway Platform.

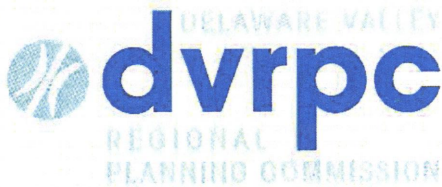
Moving freight by the marine highway not only helps to conserve capacity and reduce wear on our strained highways, but also opens new economic development opportunities for our coastal cities and towns. As a maritime state, New Jersey stands firmly behind the expanded use of the marine highway system and is working with its regional partners to ensure that it will be ready to play its part in the I-95 Marine Highway Corridor.

We urge MARAD to favorably consider New Jersey's application. If we can answer any questions, or if you require further information, please feel free to contact Mr. Ted Matthews, our Director of Freight Planning, at 973-639-8404.

Yours Truly,



Mary K. Murphy
Executive Director
NJTPA



190 N INDEPENDENCE MALL WEST
8TH FLOOR
PHILADELPHIA, PA 19106-1520
Phone: 215-592-1800
Fax: 215-592-9125
www.dvrpc.org

June 10, 2010

Mr. James Simpson, Commissioner
New Jersey Department of Transportation
P.O. Box 600
Trenton, NJ 08625

RE: New Jersey Marine Highway Platform Support Letter

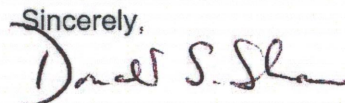
Dear Mr. Simpson:

The purpose of this letter is to indicate the Delaware Valley Regional Planning Commission's (DVRPC) support of the New Jersey Marine Highway Platform project being submitted by the New Jersey Department of Transportation under the American Marine Highway Program Final Rule, MARAD-2010-0035 published in the Federal Register (49 CFR 393).

As the Metropolitan Planning Organization for the Philadelphia-Camden-Trenton region, DVRPC recognizes that moving freight by the marine highway helps to conserve capacity and reduce wear on strained highways, and to promote economic development opportunities for coastal cities and towns. The ports of the Delaware Valley region (such as those cited in the proposal in Camden and Gloucester counties on the Delaware River) are key regional assets and DVRPC continues to work closely with local communities, freight stakeholders, and regional partners along the I-95 corridor to successfully integrate freight operations with community goals.

By obtaining designation for the New Jersey Marine Highway Platform project, New Jersey and its partners will be able to more readily obtain the private and public investments necessary to improve existing infrastructure and build new infrastructure to maximize the full potential of the American Marine Highway. The nodal plan prepared by the New Jersey Department of Transportation shows an excellent, multi-jurisdictional approach to serving this emerging market and we urge MARAD to favorably consider this application.

Thank you very much for the opportunity to offer this letter of support and please contact me if you have any questions regarding this submission.

Sincerely,

Donald S. Shanis, Ph.D.
Deputy Executive Director

DSS:td:ms



SOUTH JERSEY TRANSPORTATION PLANNING ORGANIZATION

Daniel Beyel, Cape May County
Chairman

Frank Sutton, Atlantic County
Vice-Chairman

Louis N. Magazzu, Cumberland County
Sec'y/Treasurer

Timothy G. Chelius, P.P., AICP
Executive Director

Leonard C. Desiderio, City of Sea Isle City
Lorenzo T. Langford, City of Atlantic City
Jeffrey T. Ridgway, Sr., Township of Pittsgrove
Robert Romano, City of Vineland
Bruce L. Bobbitt, Salem County
Dennis Culnan, SJTA
Pippa Woods, NJ Transit
Thomas A. Wospil, NJDOT

June 8, 2010

Mr. Michael Gordon
Office of Intermodal System Development
Marine Highways and Passenger Services
MAR-520, Suite W21-315
1200 New Jersey Avenue, SE
Washington, DC 20590

Re: New Jersey Marine Highway Platform

Dear Mr. Gordon:

It has been brought to our attention that the New Jersey Department of Transportation is submitting an application for the New Jersey Marine Highway Platform for designation as a Marine Highway Project under the American Marine Highway Program Final Rule, MARAD-2010-0035 published in the Federal Register (49 CFR 393). This application contains a vision for New Jersey as a central part of domestic freight movements along the I-95 Marine Highway Corridor. We strongly support this application.

New Jersey relies heavily on both international and domestic cargo movement as a critical component of its economy, and for this reason invests heavily in the transportation infrastructure necessary to ensure the competitiveness of both public and private sector players in freight processing and movement. Domestic shipping by water is a fast emerging sector of this economy and New Jersey is poised to play a leading role.

Moving freight by the marine highway not only helps to conserve capacity and reduce wear on our strained highways, but also opens new economic development opportunities for our coastal cities and towns. As a maritime State, New Jersey stands firmly behind the expanded use of the marine highway system and is working with its regional partners to both the North and South to ensure that it will be ready to play its part in the I-95 Marine Highway Corridor. A number of the routes outlined in the New Jersey Marine Highway Platform will be seeking their own designations as Projects.

By obtaining designation as a Marine Highway Project, New Jersey and its partners will be able to more readily obtain the private and public investments necessary to improve the existing and build new marine infrastructure to maximize the enormous potential of the American Marine Highway. The nodal plan clearly shows New Jersey's willingness and ability to serve this emerging market. We urge MARAD to favorably consider this application.

June 8, 2010
Mr. Michael Gordon
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If you have any questions regarding this submission, please contact Scott Douglas, Dredging Program Manager of New Jersey Department of Transportation at 609-530-4773.

Sincerely,



Timothy G. Chelius, P.P., AICP
Executive Director

TGC:mal

- c. Daniel Beyel, Chairman, SJTPO Policy Board
Jeffrey Ridgway, Sr., Township of Pittsgrove
Scott Douglas, Dredging Program Manager, NJDOT



July 10, 2010

Mr. Michael Gordon
Office of Intermodal System Development
USDOT Maritime Administration
1200 New Jersey Avenue SE, Room W21-315
Washington, D. C. 20590

Dear Mr. Gordon:

As you are aware, the I-95 Corridor Coalition has previously submitted an application to US Department of Transportation Maritime Administration pursuant to the America's Marine Highway Program under 46 CFR Part 393, requesting US DOT's designation of the 15 state region from Maine to Florida, including coastal, inland and navigable waterways as a Marine Highway Corridor. As noted in that application, the Marine Highway Program presents a unique opportunity to reduce congestion and alleviate bottlenecks within the I-95 Corridor.

The Corridor's extensive geographic region and surface transportation system is coupled with a strong willingness of the Coalition member agencies and stakeholders to support advancement and implementation of Marine Highway services and development of supporting infrastructure to maximize performance of the region's transportation system. Our research and work with MARAD and public and private sector stakeholders over the past decade has affirmed to us that the potential exists for Marine Highway systems and projects in this Corridor to contribute to transportation solutions to address the congestion and mobility issues we currently face. Enhancements and additions to the Marine Highway System in the I-95 Corridor could result in significant, positive impacts on the performance of the region's transportation system, benefiting the entire U.S. economy while reducing the impacts of freight and transportation on the environment, reducing transportation-related energy consumption and improving transportation safety, security and system resiliency.

Further, with a view towards the needs of the Corridor in the future, the I-95 Corridor Coalition worked with our members to complete a report: *"A 2040 Vision for the I-95 Coalition Region – Supporting Economic Growth in a Carbon-Constrained Environment."* The report outlined several vision principles supporting the belief that the future of this region to 2040 and beyond would be greatly benefited by a truly multi-modal transportation system, including an extensive use of a Marine Highway System, all of which would serve to:

- Sustain and enhance the I-95 regional economic vitality and global competitiveness;
- Support a reduced carbon footprint for the I-95 region; and
- Support seamless integrated Intermodal passenger and freight systems for I-95 corridor region travel.



June 10, 2010

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In response to USDOT 46 CFR Part 393 Final Rule, section 393.4, Marine Highway Projects, it is anticipated from our discussions with our members and stakeholders in the Corridor that one or more submissions will be made requesting designation of Marine Highway Projects by public agencies and their partners within the I-95 Corridor region. As an organization with diverse members and stakeholders, the I-95 Coalition's position is not to endorse or promote any one public agency and/or Marine Highway project application during this solicitation process. However, we can offer our commitment to MARAD to work collaboratively with public agencies and their stakeholders in the Corridor, such as New Jersey Department of Transportation and their partners, that may be selected for Marine Highway Project designation by USDOT under America's Marine Highway Program. Such work by the Coalition may include the type of activities which were outlined in the Coalition's application for Marine Highway Corridor designation, or as may be mutually determined in consultation with MARAD, our members, stakeholders, and parties who may receive designation for their Marine Highway Corridor Project.

The I-95 Corridor region represents over 39% of the US GDP, over 37 % of the nation's population, over 50 coastal and inland ports, numerous access points and terminals for freight and passenger transfer, as well as extensive coastal and inland waterways paralleling and complimenting extensive interstate highways, freight and passenger rail systems. This region would serve as an unparalleled, vibrant, corridor for a robust Marine Highway system and we believe that the designation of Marine Highway Projects in this Corridor will likely serve to maximize US DOT's Marine Highway Program investments.

We look forward to the outcome of this solicitation process and to continued partnership with the Maritime Administration, our members, and stakeholders on this important transportation initiative.

Sincerely,

A handwritten signature in black ink, which appears to read "George E. Schoener". The signature is fluid and cursive, with a large initial "G" and a stylized "S" at the end.

George Schoener
Executive Director



AMERICAN FEEDER LINES

June 10, 2010

W. Scott Douglas, M.S.
New Jersey Department of Transportation (NJDOT)
PO Box 837
Trenton, NJ 08625-0837

Re: New Jersey Marine Highway Platform

Dear Mr. Douglas:

It has been brought to our attention that the New Jersey Department of Transportation is submitting an application for the New Jersey Marine Highway Platform for designation as a Marine Highway Project under the American Marine Highway Program Final Rule, MARAD-2010-0035 published in the Federal Register (49 CFR 393). This application contains a vision for New Jersey as a central part of domestic freight movements along the I-95 Marine Highway Corridor. As believers in the public benefits of marine transportation and the well reasoned approach of your platform proposal we are pleased to support your application.

New Jersey relies heavily on both international and domestic cargo movement as a critical component of its economy, and for this reason invests heavily in the transportation infrastructure necessary to ensure the competitiveness of both public and private sector players in freight processing and movement. Domestic shipping by water is a fast emerging sector of this economy and, clearly, New Jersey is poised to play a leading role.

Moving freight by the marine highway not only helps to conserve capacity and reduce wear on our strained highways, but also opens new economic development opportunities for our coastal cities and towns. As a maritime State, New Jersey is showing that stands firmly behind the expanded use of the marine highway system and is working with its regional partners to both the North and South to ensure that it will be ready to play its part in the I-95 Marine Highway Corridor. A number of the routes outlined in the New Jersey Marine Highway Platform will be seeking their own designations as Projects.

I am pleased to say that the American Feeder Lines Short Sea/Feederling project also is the focus of a pending application to the Marine Highway Program. We see the Port of New York/New Jersey as one of the likely Atlantic hub ports that the international steamship lines will establish as they rationalize their services in the next years. AFL intends to serve the expanding international trade as well as the domestic freight market and appreciates your interest in our plan.

By obtaining designation as a Marine Highway Project, New Jersey and its partners will be able to more readily obtain the private and public investments necessary to improve the existing and build new marine infrastructure to maximize the enormous potential of the American Marine Highway. The nodal plan clearly shows New Jersey's willingness and ability to serve this emerging market. I congratulate you on the New Jersey initiative and welcome your continued attention to our AFL project.

If we can be of any further assistance, please contact me at 212-269-8211.

Sincerely,

American Feeder Lines Holdings LP
Percy R. Pyne IV
Chairman - Founding Partner

cc: Michael Gordon, MARAD